



Navigating Through Challenging Times: An Interview with George "Chip" Van Dusen IV, DBS Principal - President & CEO



By Laura Thompson, DBS Director of Marketing

When 2020 began, no one could have predicted that a pandemic would completely change life as we know it. Virtually every aspect of daily life was affected and we all had to learn how to adapt to very different times. I recently had the opportunity to spend a little time with DBS Principal - President & CEO George "Chip" Van Dusen IV to find out what he learned from last year and what guides his decision making during challenging times. What follows is our conversation, where he shares his reflections on how DBS was able to successfully navigate through such a difficult year. He also discusses his predictions for 2021 and how financial professionals can prepare for the upcoming year.

If you could choose one word to describe 2020 what would it be?

A few come to mind, but the first one that stuck the best was unprecedented: unprecedented in a thousand different ways, whether it's business here at DBS, everyone's home lives, some of the civil unrest that we experienced as a country, the market interest rate environment and obviously the pandemic. Never in a million years did I think we would see a year like we did last year! Unprecedented.

What were the lessons learned from this unprecedented year?

One thing that I didn't necessarily learn in 2020 but got a good dose of practicing was patience. Because of the tumultuous year we experienced, I was really able to hone those skills.

Another big lesson is that when faced with challenge, there's always opportunity underlying. It's the responsibility of a leader to seek out and identify the opportunity and then create a path for the team to execute on it. At DBS, our Executive Leadership Team was presented with some challenges, so we identified the opportunity, which was that we still needed to take necessary and appropriate risk from

an investment perspective. We created a path, then enabled and empowered our team members to execute. Because of this, we were able to make some significant headway on a number of initiatives that are going to position our firm extremely well for the future.

What factors help guide your decision making? What is your approach for the company?

Our strategy is not to sit and wait, or be scared, or stop, but to actually move forward even more when faced with a difficult decision. That's why as a firm we made a great deal of investment in 2020. We invested in personnel, technology, and new distribution opportunities, all positioning our firm well for the future. These moves don't necessarily bear any immediate fruit, but we recognized a perfect time in

“ A big lesson is that when faced with challenge, there's always opportunity underlying. ”

which we could thoughtfully and thoroughly execute on that strategy. In 2020, we laid no people off but in fact, expanded and hired more.

What is your strategy for maintaining operational resilience?

Much of our previous investment into the firm led to our preparedness for 2020. Because we had invested so strongly in technology, we had a seamless transition for our employees to move home and work remotely. We had also created a full suite of online capabilities, which enabled our advisors

going to completely go back to where we were. Five years ago, Skyping, using Microsoft Teams or Zoom wasn't really an option, where today that's the only way we're communicating. At DBS we've got a sales meeting coming up and on the agenda some of the hot topics are around how to relate better virtually, so sharpening our virtual skills will be a big focus internally as well.

What things are on the horizon for DBS? What key topics are you anticipating for the year?

We've got some big technological initiatives that we initiated in the fourth quarter that are carrying over into the first quarter of 2021, so we're continuing to execute on them. We've got some additional talent that's joining our organization, so we're excited about that.

We're continuing to expand the footprint of our firm in markets that we haven't traditionally been in before, so that's important for us. I'm extremely bullish on 2021. In particular, when the the last stimulus bill was passed, there was a change to Section 7702, which was completely outdated and needed to change. This change will position life insurance much more favorably in the ultra-low interest rate environment we're in, but as carriers adjust, there will be a number of product and pricing updates. I'm excited about this change and what that opportunity brings.

Going forward, what other product, carrier or pricing changes do you predict for 2021?

I think we'll continue to experience a bit of of COVID hang-over from an underwriting perspective. Carriers are still concerned about how to underwrite their business, particularly at older ages, on larger face amounts, and with very large premiums. I think that will linger at least through the first couple of quarters, if not longer. In addition, I think we're going to continue to see a lot of pressure on any products that have any sort of guarantee on them, whether a long-term guarantee to maturity or even an age 90 guarantee, and will affect fixed products, fixed index products, and variable products. Also, I don't really see a lot of interest rate movement upwards for the foreseeable future, so we'll see some continued profitability pressure at the manufacturer level on those products.

You mentioned earlier than that you see a virtual environment continuing well after the pandemic is over, but do you anticipate a time period when we might see things a little more back to normal?

This is where patience and calm are really important. We have a COVID-19 committee that evaluates what's happen-

ing in our area and from their data, we make thoughtful and reasonable determinations for the business. We are working very efficiently on a remote basis but it is certainly our intent to have our team members back together again, though it is undetermined at this moment. We're committed to that and our team members, more importantly, are committed and want the camaraderie they had. Of course people also enjoy working from home, so balance is going to be key in 2021, and how people can maintain their family and home life, with having a work at home environment continue.

I have great hope that we can get back to some semblance of normalcy within 2021 but we will have to wait and see. We are committed to that as an organization, but only when it makes appropriate sense for our firm and for our DBS family.

Is there anything else you want to say as we look back on 2020 and look forward to 2021?

We had an unprecedented year and I'm so grateful for our ability to come out on top. I'm grateful for an amazing company, all our employees, my partner and our executive leadership team. We've been in this business for 53 years and we'll continue in this business for many more. We actually got stronger in 2020, so from the DBS firm perspective, we're in a great position rolling into 2021. We have some fantastic advisors that have great cases in house with us, so our pending inventory is stronger than it's ever been going into a new year. We're really excited about the prospects of helping those advisors put that business in force on those clients and really be of service and are looking forward to a good year.



George "Chip" Van Dusen IV is the President and CEO of Diversified Brokerage Services. Chip is a current board member of Finseca, where he serves as Chair of the Government Affairs Committee. He recently served as Chair of the National Association of Independent Life Brokerage Agencies (NALBA), and is heavily involved in a number of other ways throughout the life insurance industry. This gives him a unique perspective on carrier and industry happenings and how they can affect financial professionals and their business.